DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Broadband Initiatives Program

RIN: 0572-ZA01

DEPARTMENT OF COMMERCE

National Telecommunications and Information Administration

Broadband Technology Opportunities Program

RIN: 0660-ZA28

Docket No.: 0907141137-05

COMMENTS OF TRACFONE WIRELESS, INC.

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November 30, 2009

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EXECUTIVE SUMMARY

TracFone Wireless, Inc., a provider of wireless Lifeline telecommunications service to more than 2.5 million low-income households in more than 20 states and the District of Columbia, plans to seek BIP and/or BTOP grant funding to offer a broadband service for qualified low-income households based on its highly successful SafeLink Wireless® Lifeline service. Establishment of a broadband program based on the Universal Service Fund-supported Lifeline service would be fully consistent with the stated policy goals of the American Recovery and Reinvestment Act. It is well-documented in studies conducted by the Pew Internet & American Life Project, TracFone, and others, that economic barriers to broadband access exist and are significant impediments to broadband access at low-income households. NTIA and RUS should fund programs which deliver broadband access to low income households, and should not be limited to the $250,000,000 allocated to "sustainable adoption of broadband service" in the ARRA. That amount is a minimum, not a cap.

Under a pilot program like that proposed by TracFone to the Federal Communications Commission in October 2008, qualified low-income households would receive broadband access devices as well as a monthly subsidy which would cover at least part of the cost of providing broadband Internet access. Public computer centers are an important source of making broadband access available. However, they are not suitable alternatives to affordable in-home broadband access. TracFone has demonstrated through its SafeLink Wireless® Lifeline service that mobile telecommunications can be provided to low-income households through a federal program. It believes that it can produce similar success in making available broadband access to low-income households through the BIP and BTOP programs.

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COMMENTS OF TRACFONE WIRELESS, INC.

TracFone Wireless, Inc. ("TracFone") hereby comments on the Joint Request for Information ("JRI") issued by the Department of Agriculture Rural Utilities Service ("RUS") and the Department of Commerce National Telecommunications and Information Administration ("NTIA"). In the JRI, RUS and NTIA seek public comment on a series of questions regarding the implementation of the Broadband Initiatives Program ("BIP") and the Broadband Technology Opportunities Program ("BTOP"). Specifically, they ask interested parties to address procedural and policy questions in connection with the second round of BIP and BTOP funding. TracFone submits these comments as a potential applicant for grant funding in the second round.

Statement of Interest

TracFone is the nation's leading provider of prepaid wireless telecommunications services. TracFone does not own or operate a telecommunications network. Instead, it provides service as a mobile virtual network operator or reseller. It uses the underlying networks of many

of the nation's leading wireless network operators. Because its services are provided solely on a "pay-as-you-go" basis, with no contracts, volume or duration commitments, no credit checks, and no early termination fees, TracFone has since its inception in 1996 specialized in making the benefits of mobile telecommunications service available and affordable to low volume users and low income consumers to whom wireless service would otherwise be unavailable or, if available, unaffordable.

In little more than a year, TracFone has revolutionized the availability of wireless telecommunications service to low income households as a provider of Lifeline service in its capacity as an Eligible Telecommunications Carrier ("ETC") pursuant to Section 214(e) of the Communications Act of 1934, as amended (47 U.S.C. § 214(e)). TracFone has now been designated as an ETC in twenty-three states and the District of Columbia. It has applied for ETC designation in most of the remaining states and is well on its way to becoming the first nationwide provider of Lifeline service as an ETC.

TracFone offers Lifeline service in those jurisdictions where it has been designated as an ETC using the brand name SafeLink Wireless®. SafeLink Wireless® is unlike any other Lifeline service available anywhere. Unlike traditional Lifeline services, SafeLink Wireless® is not a service whose price is "discounted" below standard billed rates; it is a free service. Qualifying low income customers receive at no charge E911-compliant wireless handsets. Each month that customers remain enrolled in the program, they receive allocations of free wireless airtime minutes of use. Those free minutes may be used to initiate or receive calls to or from anywhere in the United States. There are no separate long distance or roaming charges. The free minutes of airtime may also be used for calls to more than 60 international destinations.

Important vertical features like call waiting, caller ID, and voice mail also are included. Unused minutes are carried over from month to month.

Since TracFone first began offering SafeLink Wireless® in three states in late 2008, the program has succeeded beyond anyone's expectations. In every state where the service is available, Lifeline enrollment among qualified low income households has increased by more than 100 percent (in Virginia, it has increased by nearly 700 percent). Today, more than 2.5 million low income households are enrolled in TracFone's Lifeline program. TracFone is now the second largest provider of Lifeline service in the nation (only AT&T has more Lifeline customers).

TracFone has long sought to provide broadband service to low income households similar to its SafeLink Wireless® service. It is submitting these comments to share with RUS and NTIA its views on expanding broadband access to low-income consumers and to suggest mechanisms for using the BIP and BTOP programs to achieve that objective based on its experience with the federal Lifeline program for telecommunications service.

Broadband Access for Low Income Households is a Goal of The Recovery Act

The BIP and BTOP programs were established as part of the implementation of the American Recovery and Reinvestment Act of 2009.[1] Among the ARRA's stated purposes are: (1) **to preserve and create jobs and promote economic recovery**; (2) **to assist those most impacted by the recession**; (3) to provide investments needed to increase economic efficiency by spurring technological advances in science and health; and (4) to invest in environmental protection, and other infrastructure that will provide long-term economic benefits."[2] These goals

[1] Pub. L. No. 111-5, 123 Stat. 115 (2009) ("Recovery Act" or "ARRA").
[2] ARRA at § 3 (emphasis added).

are consistent with those of the Telecommunications Act of 1996[3] -- the Act whose universal service provisions led to creation of the federal Lifeline program. In this regard, the attention of RUS and NTIA is directed to Section 254(b) of the Communications Act (added to that Act by the 1996 Telecommunications Act). There, Congress articulated a series of universal service principles which includes the following: "Consumers in all regions of the Nation, **including low income consumers**, . . . should have access to telecommunications and information services . . . that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas."[4]

As indicated by the underscored language above from the ARRA and the 1996 Telecommunications Act, both statutes reflect a Congressional objective of facilitating available telecommunications and advanced services such as broadband service to all Americans, including economically-disadvantaged households. Just as the Lifeline program has helped to achieve that objective with respect to voice telecommunications service access, so too should the BIP and BTOP programs facilitate affordable and available broadband service irrespective of any American household's economic circumstances.

TracFone's Broadband Lifeline Proposal

In October 2008, TracFone petitioned the Federal Communications Commission ("FCC") to establish a broadband pilot project modeled on the federal Lifeline program for telephone service.[5] TracFone proposed that the FCC allow a pilot study to be conducted in several jurisdictions. Customer eligibility would be premised on a combination of income-based and program-based criteria -- similar to the Lifeline program. Participating providers would receive

[3] Pub. L. No. 104-104, 110 Stat. 56 (1996).
[4] 47 U.S.C. § 254(b)(3) (emphasis added).
[5] Petition to Establish a Trial Broadband Lifeline/Link Up Program, WC Docket No. 03-109, CC Docket No. 96-45, filed by TracFone Wireless, Inc., October 9, 2008. A copy of that petition is attached to these comments as Attachment 1.

a subsidy of up to $250 per customer to offset some or all of the costs of providing Internet access devices as well as $30.00 in monthly support to provide Internet access. Through this program, participating households would receive broadband access as well as the devices needed for broadband Internet access at prices they could afford. Although TracFone proposed that the pilot program be funded by the federal Universal Service Fund, in light of enactment of ARRA and the BIP and BTOP programs, it now believes that BIP and/or BTOP funding could support all or at least some of the program without unduly burdening the rapidly-growing Universal Service Fund.

There is an Unmet Need for Broadband Support For Low Income Households

Economic barriers to broadband access by low-income American households have been known about for a long time. In its October 2008 FCC petition, TracFone cited to a recent study published by the Pew Internet & American Life Project which concluded that only twenty-five percent of households with annual incomes below $20,000 have broadband service, as compared with fifty-five percent nationwide, and eighty-five percent among households with more than $100,000 in annual income.[6]

In order to better understand the relationship between economic resources and broadband access, TracFone recently commissioned a survey of its SafeLink Wireless® Lifeline customers. That study was conducted by Options Marketing Research and Consulting. A copy of that study, entitled "Internet Access, Usage and Interest Among SafeLink Users" is attached to these comments as Attachment 2. Several findings of that study are especially illuminating:

- 86% of SafeLink users do not have any Internet access at home;
- Only 10% have broadband Internet access;

[6] Home Broadband Adoption 2008, Pew Internet & American Life Project, July 2008 at 3.

- 32% do not have a computer at home
- More than half (52%) would like to have broadband service at home; however, of those, 50% indicated that the service would have to be free (38%) or under $10 per month (12%) in order for them to afford the service.

The results of the recent TracFone study confirm and expand upon the earlier Pew Study -- the lack of broadband access is every bit as much an economic issue as it is a deployment/facilities availability issue. TracFone does not dispute that broadband access is limited for many Americans based upon where they reside. However, it is becoming increasingly apparent that economic unavailability/unaffordability prevents many Americans from having access to broadband service and to the Internet.

RUS and NTIA Should Allocate BIP and BTOP Grants to Ensure that Broadband Access Is Available to and Within the Economic Reach of All American Households

Title II of the ARRA directs NTIA to allocate "**not less than** $250,000,000 for competitive grants for innovative programs to encourage sustainable adoption of broadband service." Importantly, the underscored statutory words, "not less than" indicate Congressional intent that the an allocation amount of $250,000,000 for sustainable broadband adoption is a minimum allocation amount; it is not a cap. As the Pew study from 2008 demonstrates, and as TracFone's recent survey of its own base of qualified Lifeline customers confirms, economic barriers to broadband access are real. Millions of low income households residing in urban and suburban, as well as rural areas, do not have broadband service today because they simply cannot afford it. To a family surviving on a limited income, unemployed persons looking for work, recent immigrants, or single parents trying to make ends meet with limited resources while enabling their children to have the same educational opportunities as other, more advantaged, children, broadband service is not available irrespective of whether one, two, or more providers "serve" the areas where such persons reside. The fact that broadband access is not available to

consumers for reasons of economics rather than for reasons of deployment location makes it no less unavailable to those consumers and makes it no less essential to those consumers' opportunities for meaningful participation in the Information Age.

Unlike voice telephone service where wireline and wireless handsets are available for purchase at modest prices (*e.g.*, $10.00 to $30.00), access to broadband Internet services requires a suitable Internet access device -- typically a personal computer or laptop device. Such devices are costly -- rarely less than several hundred dollars. Accordingly, if the BIP and BTOP grant funds provided for in ARRA are to have their intended result of making broadband access available to all Americans, some portion of that funding must be used to subsidize the cost of suitable Internet access devices.

In addition, TracFone notes that under ARRA, not less than $200,000,000 is to be allocated for grants to fund public computer centers. While such public computer centers located at such publicly-accessible locations as community centers, schools, and libraries, may contribute to enhancing broadband access availability, TracFone respectfully notes that such centers are not sufficient substitutes for in-home broadband access. Public computer centers are available only during specified days and times (they are not available 24/7), and they can only accommodate limited numbers of users at any time. In contrast, broadband access at residences is always available to the residential consumers. Students needing to access the Internet as part of their educational activities may do so at any time -- not only during "business hours"; persons reliant on e-mail to establish and maintain real time contact with existing and potential employers may be in contact at any time, not just when they can stop by the library. For the benefits of broadband access to reach consumers without economics-based limitations, that access needs to be regularly available, not just available at certain locations and at certain times.

NTIA and RUS Should Adopt Second Round Funding Policies Which Enable Those Who Have the Commitment and the Expertise To Deliver Affordable Broadband Access to Economically Disadvantaged Populations to Have Grant Proposals Favorably Considered

In establishing the processes and policies which will be used during the second round of funding, TracFone urges RUS and NTIA to remain mindful of the fact that economic barriers are as much an impediment to broadband access as are infrastructure-based barriers. Sufficient funding should be available so that grant applicants -- public and private -- who are committed to providing affordable and available broadband access are provided with sufficient resources to enable them to implement innovative programs to bring broadband to the unserved. NTIA and RUS should require that all applicants seeking BIP and BTOP grants to fund broadband access projects to provide detailed plans for how they will use those funds to provide broadband to consumers to whom such services are not currently available, either for economic reasons or for infrastructure deployment reasons. Such applicants should be required to describe how they will provide Internet access devices, including how much of a subsidy will be needed to provide such devices. They should also be required to provide detailed plans for their outreach efforts to ensure that qualified consumers are aware of the programs and are encouraged to enroll.[7]

Companies like TracFone have specialized in delivering affordable telecommunications services to persons who would otherwise be left behind. Access to sufficient grants under the BIP and BTOP programs will enable those companies to bring affordable broadband services to otherwise unserved low-income households as they have done with regard to telecommunications services, including mobile services. Importantly, under Lifeline-type

[7] At the very least, BIP and BTOP grants could fund broadband Lifeline-type trials, such as the pilot program set forth in TracFone's October 2008 FCC proposal. Use of BIP and BTOP funds for such trials could avoid further upward pressure on the federal Universal Service Fund. If the federal Universal Service Fund is to be used to fund broadband availability, it will be necessary to reevaluate certain programs currently supported by that fund.

broadband access programs like that proposed in these comments, one hundred percent of the funding would be spent on providing broadband access to low-income households. The funding would only be used to the extent that the entities obtaining the grants succeed in making qualified low-income households aware of the program and persuading them to participate. This will ensure that the grant funding is used in the most efficient manner to achieve to desired goal of connecting low-income households to the Internet.

Respectfully submitted

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November 30, 2009

Attachment I

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Lifeline and Link Up	)	WC Docket No. 03-109
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	

PETITION TO ESTABLISH A TRIAL BROADBAND LIFELINE/LINK UP PROGRAM

TracFone Wireless, Inc., hereby petitions the Commission to modify its universal service rules as necessary and appropriate in order to establish on a trial basis a Broadband Lifeline/Link Up program. Under this program, telecommunications service providers who have been designated as Eligible Telecommunications Carriers (ETCs) pursuant to Section 214(e) of the Communications Act of 1934, as amended,[1] will be allowed to provide Broadband Lifeline/Link Up service to eligible low income households and to have the costs of providing such service and the devices used to access the service (up to certain limits) covered by the federal Universal Service Fund (USF). ETCs electing to participate in the Broadband Lifeline/Link Up program may do so by notifying the Commission of their intent to participate. Since those entities already have been designated as ETCs either by the Commission or by state commissions, there would be no need to apply for additional designation or for expanded ETC authority.

TracFone believes it is time to extend the concept of universal service beyond subsidizing affordable telephone service in high cost communities and for low income consumers. Despite the fact that broadband access to the Internet has been deployed to many households, broadband

[1] 47 U.S.C. § 214(e).

services remain economically beyond the reach of all too many low income households. According to a recent study published by the Pew Internet & American Life Project, only twenty-five percent of households with annual incomes below $20,000 have broadband service, as compared with fifty-five percent of all households. Among households within annual incomes between $50,000 and $75,000, sixty-seven percent have broadband access; households with annual incomes above $100,000 have a broadband penetration rate of eighty-five percent.[2] Those statistics document the disturbing fact that there is a Digital Divide in the United States. The Broadband Lifeline/Link Up trial proposed herein would be an important step in bridging that divide.

The statutory definition of universal service is an "evolving level of telecommunications services that the Commission shall establish periodically under this section, taking into account advances in telecommunications and information technologies and services."[3] TracFone shares the view that it is time to make available to all Americans, including low income households, affordable broadband Internet devices and access (over wireline or wireless networks) through a subsidy program funded by the USF modeled on the current Lifeline and Link Up programs for voice telephone service. Before implementing such a program on a permanent basis, TracFone proposes that the Commission establish a limited program on a trial basis in certain markets. The Broadband Lifeline/Link Up program could then be modified as appropriate based on the experience gained during that market trial.

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[2] Home Broadband Adoption 2008, Pew Internet & American Life Project, July 2008 at 3.

[3] 47 U.S.C. § 254(c)(1).

Description of the Broadband Lifeline/Link Up Trial

Initially, 500,000 to 1,000,000 low income households in several selected jurisdictions would be selected for the trial program. TracFone proposes that the Broadband Lifeline/Link Up trial be conducted in the states of Florida, Virginia, Tennessee and the District of Columbia. Based upon how the program is implemented in those jurisdictions and what is learned during the trial, the Broadband Lifeline/Link Up program could be introduced on a national basis. Eligibility for participation would be income-based (*i.e.*, less than 135 percent of the federal poverty guideline) or program-based (documentation of participation in various specified low income assistance programs such as school lunch programs, Medicaid, energy assistance) as is currently used for Lifeline/Link Up eligibility.

Under the Link Up portion of the program, participating providers would receive a subsidy in the amount of $250 per device to offset some or all of the cost of providing suitable Internet access devices to the customers. The device could be either a laptop/desk top computer or a handheld device such as a BlackBerry or other wireless device equipped for Internet access. The device subsidy would be a one time subsidy and would be limited to one unit per qualified household. The subsidy amount would be paid by the Universal Service Administrative Company (USAC) to the participating ETC which provides the device and the service to the customer.

Under the Lifeline portion of the program, each participating household would also receive $30.00 in monthly Lifeline support to offset the cost of broadband Internet access service of a participating provider. The per customer subsidy would be provided by the ETC which would, in turn, be reimbursed $30.00 per month by USAC for each participating customer to whom it provides Broadband service. This $30.00 monthly support provided to the participating

customers would be separate from and in addition to their monthly Lifeline support for voice telephone service. Participating customers may select the same Lifeline provider for their voice service and for their broadband service. However, the support payments and discounts would be separate. There would be a limit of one Broadband Lifeline/Link Up enrollment per household and the enrollment would be for a twelve month period. Participating households who remained eligible for the program would be entitled to remain in the program beyond the first year, subject to the requirement that participating ETCs verify their customers 'continued eligibility under the applicable income-based or program-based criteria as they are required to do for their voice Lifeline customers. There would be no state or carrier matching requirements. The Broadband Lifeline/Link Up program would be exempt from fees and taxes to the same degree as other Lifeline programs.

All carriers designated as ETCs within the service areas for the trial would be allowed to participate, provided that they notified the Commission of their election to participate on or before a notification deadline date established by the Commission and announced in a Commission-issued public notice.

Wireline providers would be required to provide broadband service at speeds at least equivalent to that provided using Digital Subscriber Line (DSL) technology. Wireless providers would be required to provide service at speeds equivalent to that available using 3G technology. Available Internet services would include the ability to send and receive e-mail, web searching and browsing, and uploading and downloading of data and video files.

Cost of the Trial Program

Assuming that there are 500,000 participants, the cost of the device subsidy would be $125,000,000 (500,000 x. $250). The annual service cost would be $180,000,000 ($360 x 500,000). Thus, the total cost to the USF of a one year trial limited to 500,000 participating households would be $305,000,000. If there are 1,000,000 participants, the cost of the support for the devices would be $250,000,000 (1,000,000 x $250.00). The total cost for the trial for one year, including equipment support and monthly service support, would be $610,000,000.

In order to ensure that the number of participants in the Broadband Lifeline/Link Up trial not exceed the trial limit, participating ETCs would be required to notify USAC not less often than monthly of the number of enrolled customers in the program. USAC would then publish on its website the aggregate number of enrolled customers, broken down by state, but not by ETC, so as not to compromise the any carrier's proprietary customer enrollment data.

Conclusion

TracFone believes that the Commission should now focus its attention on making available and affordable access to broadband service by all Americans, including low income households, an integral component of the nation's universal service policy. While telephone penetration rates are well above ninety percent, all too many low income families simply cannot afford to purchase broadband Internet access services or the devices necessary to access such services. As a result, millions of low income American households are being excluded from the Information Economy. Indeed only twenty-five percent of low income households (*i.e.*, those with annual incomes below $20,000) have broadband connections to the Internet. The relatively modest proposal described herein will enable the Commission to explore mechanisms for making available broadband connectivity as part of the universal service program. TracFone anticipates

that this program will provide the Commission and the public with important information and ideas for making affordable broadband access to all Americans a reality.

Respectfully submitted,

TRACFONE WIRELESS, INC.

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Its Attorneys

October 9, 2008

Federal Communications Commission

The FCC Acknowledges Receipt of Comments From ...

TracFone Wireless, Inc.

...and Thank You for Your Comments

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Date Received:	**Oct 9 2008**
Docket:	**03-109**
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Federal Communications Commission

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...and Thank You for Your Comments

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updated 12/11/03

Attachment II

OPTIONS
Marketing Research & Consulting, Inc.

Internet Access, Usage and Interest

Among SafeLink Users
September 2009

Topline Report

Prepared for:

SafeLink WIRELESS®

October 13, 2009

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Research Overview

Research Objectives and Research Design

SafeLink management recently commissioned a survey of 1000 SafeLink Wireless users to establish their:

- Internet access status
- Access to and interest in obtaining broadband service at home
- Current or potential Internet usage behavior

To meet these information needs a short telephone survey of SafeLink Wireless users was conducted between August 30 and September 4, 2009. SafeLink users qualified to participate in the survey if they:

- Had no Internet access at home and were interested in obtaining broadband service, or
- Had dialup access at home and were interested in obtaining Broadband service, or
- Had Internet access outside of the home.

Those who had Internet access outside of the home (73%) were asked:

- What type of access they had (dialup or broadband), where their access originated, how they used the Internet and whether or not they had an email address

Those who wanted broadband service at home (56%) were asked:

- How they would use the Internet, what price would be considered affordable for monthly broadband access, whether or not they had a computer at home and what price would be considered affordable for a computer if they did not have one

On the following pages, the survey results are outlined for the Total Sample of SafeLink users as well as the following subgroups:

- Those with Internet access
- Those without Internet access

This study was designed and executed by Options Marketing Research and Consulting at the request of TracFone Wireless. Any questions can be directed to Robin Naismith, VP, at 949-219-0520, ext. 113 or rnaismith@options-mrc.com.

Summary of Findings

A September 2009 study of 1000 SafeLink Users to identify Broadband access and affordability concluded the following:

- 86% of SafeLink Users do not have any access to the Internet at home.
- A relatively small proportion, 10%, have Broadband access at home.

- 52% of SafeLink users would like to have Broadband access at home.
- Among those who would like to have Broadband access, 50% indicated they would need Broadband access to free or extremely low in cost: 38% indicated it would have to be free and another 12% indicated it would have to be $10 or less per month.

- Over half of those who want Broadband access do not have computers. Among all SafeLink users: 32% want Broadband and do not have a computer and 20% want Broadband and do have a computer.
- Among those who want Broadband but do not have a computer, 54% indicated they could not afford a computer at any cost at this time ("would have to be free").

From a list, SafeLink Users indicated they would use their Broadband in the following ways:

- 88% Educational purposes
- 81% Send or receive email
- 77% Search for job or employment opportunities
- 71% Entertainment
- 60% Online commercial transactions

Broadband Access and Affordability

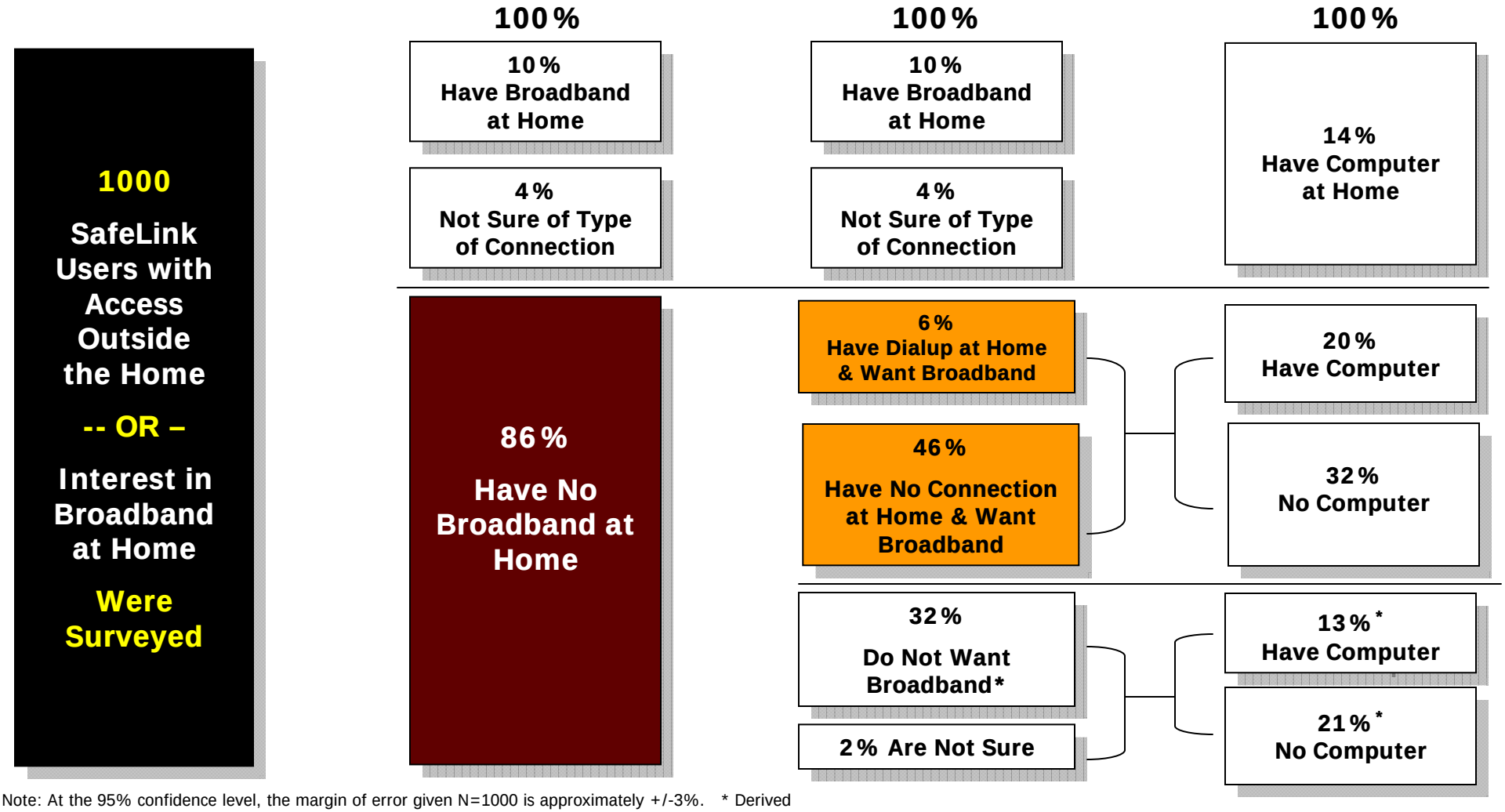
Market Potential

Home Broadband Status, Interest and Computer Status

86% of SafeLink Users do not have Broadband access at home. 10% do, and 4% are not sure of their service.

52% would like to have Broadband access at home.

32% would like to have Broadband access at home but do not own a computer.



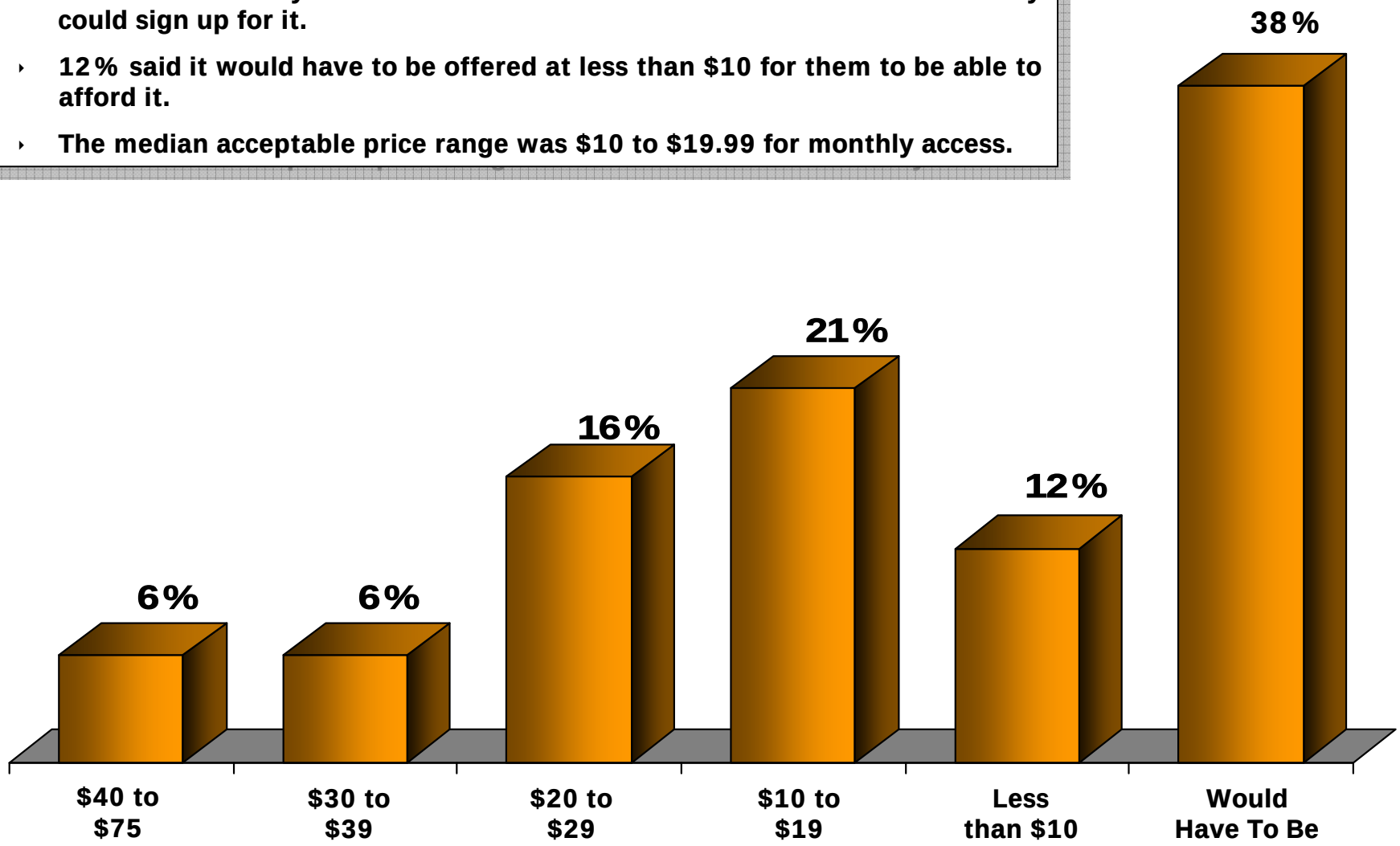
Note: At the 95% confidence level, the margin of error given N=1000 is approximately +/-3%. * Derived

Market Potential

At What Price Would Broadband Access Become Affordable Enough for You to Sign Up?

Among those who would like to have Broadband at home (52%),

- **38% said monthly Broadband service would have to be free before they could sign up for it.**
- **12% said it would have to be offered at less than $10 for them to be able to afford it.**
- **The median acceptable price range was $10 to $19.99 for monthly access.**



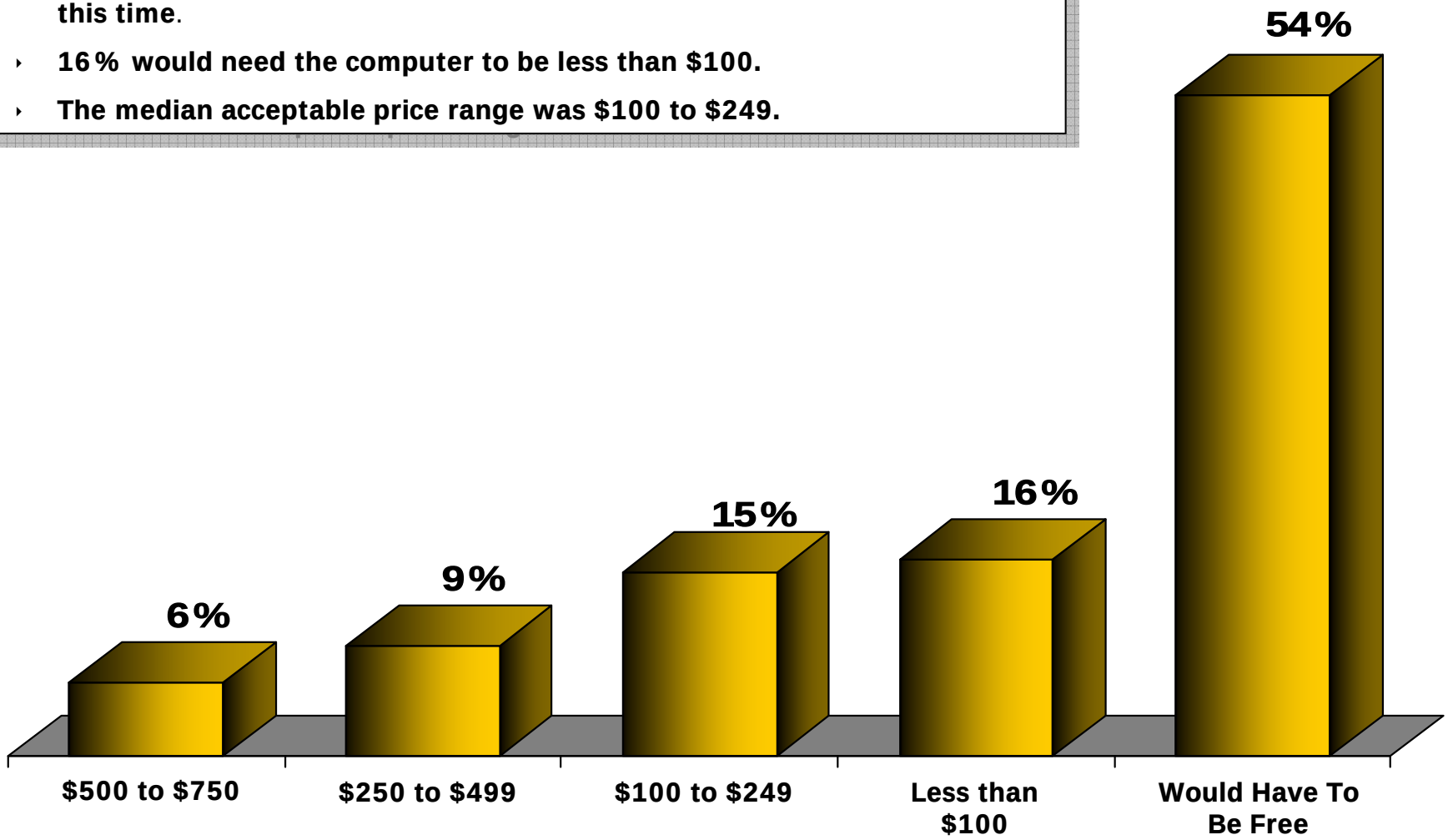
N=521 Note: At the 95% confidence level the margin of error given N=521 is approximately +/-4%.

Market Potential

At What Price Would a Home Computer Become Affordable Enough for You to Buy?

Among those who <u>do not</u> have a computer at home (32%):

- **54% said a computer would have to be free, they cannot afford one at this time.**
- **16% would need the computer to be less than $100.**
- **The median acceptable price range was $100 to $249.**



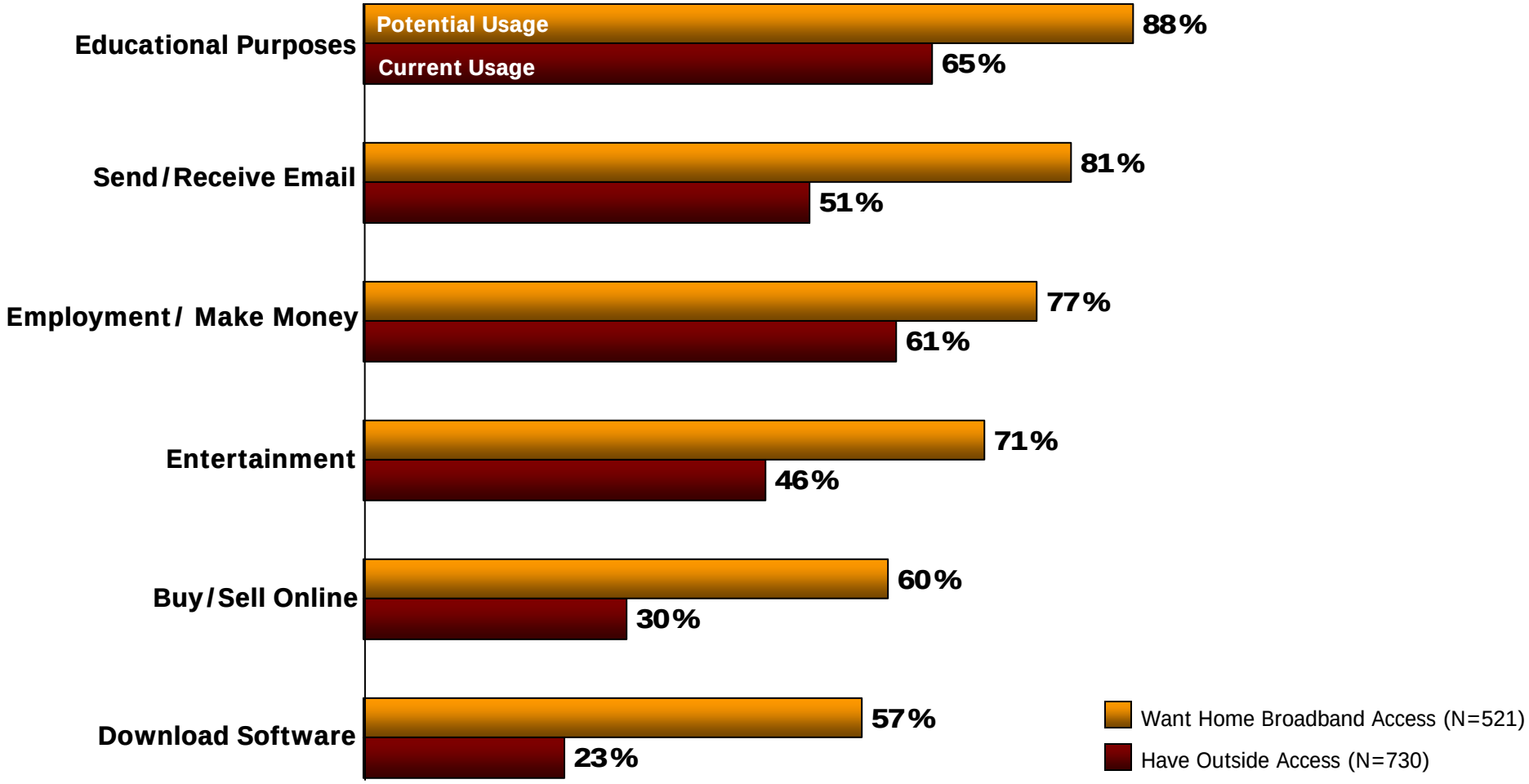
N=322 Note: At the 95% confidence level the margin of error given N=322 is approximately +/-6%.

Broadband Uses/Benefits

Economic Benefit

Internet Usage: Current vs. Expected Usage

When compared to outside-the-home usage behavior, those who want Broadband access at home indicated significantly broader potential usage of the Internet overall and heavier usage in each measured area. Also, those who want Broadband at home were most likely to indicate they would use it for Educational purposes (88%).



Note: At the 95% confidence level the margin of error given the sample sizes of both groups is approximately +/-4%.

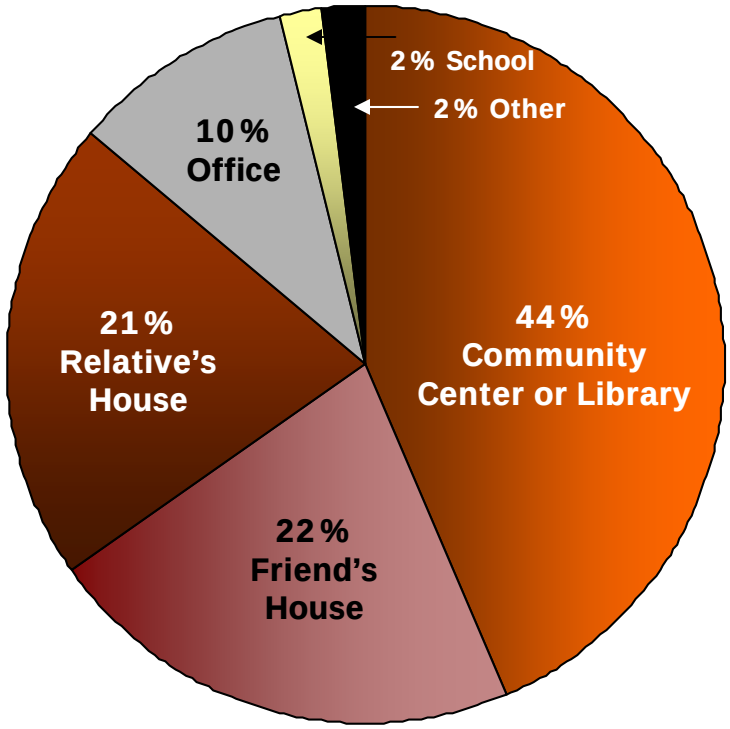
Location of Access Outside of Home

Outside Access: Location of Service and Email Address Status

Among SafeLink users with outside Internet access (73%), community centers/libraries and friend's and relative's houses were the most frequent access points.

62% have an email address.

Where is the computer that you use outside the home? (N=731)



% Have Email Address	N=731
Yes	62
No	38

Note: At the 95% confidence level the margin of error given N=731 is approximately +/-4%.

SafeLink User Profile

SafeLink User Profile

Age, Gender and Children in Household

The average surveyed SafeLink customer was a minority female in her late 40's.

SafeLink Customers	
% Indicating...	N=1000
Average Age	**46 years**
Under 35	23
35 to 54	49
55 Over	28
Female	**77**
Have Children Under 18	**49**

At the 95% confidence level, the margin of error given N=1000 is approximately +/-3%.

Note: At the 95% confidence level the margin of error given N=731 is approximately +/-4%.